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Form 10-Q

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended	Commission File Number
March 31, 1992	033-25463-1

EDGEMARK VOTING TRUST
(Exact name of registrant as specified in its charter)

Delaware	36-3059511
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Merchandise Mart Plaza, Suite 2400, Chicago, Illinois 60654
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code...(312) 836-8000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date:

Class	Outstanding at May 01, 1992
Common Stock, $1.00 par value	1,448,939

Approximately 61.10% of the outstanding shares of the issuer's Common Stock are held of record by the EdgeMark Voting Trust (the "Trust"). The seven trustees of the Trust also serve as directors of the issuer. The Trustees exercise all voting rights with respect to the shares. The Trust does not conduct any operations, other than holding the Common Stock, and will terminate on December 31, 1992.

This filing contains 12 pages.

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ITEM 1. Financial Statements

EDGEMARK FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	MARCH 31, 1992 (unaudited)	DECEMBER 31, 1991
Assets		
Cash and Due from Banks	$ 28,410,283	$ 30,153,387
Federal Funds Sold	8,640,000	4,495,000
Cash and Cash Equivalents	37,050,283	34,648,387
Investment Securities (market value at 1992-$98,687,186; 1991-$123,667,737)	97,442,330	119,522,336
Loans	349,692,183	341,304,099
Less: Unearned Income	(11,980,000)	(12,097,640)
Allowance for Loan Losses	(4,552,165)	(4,446,093)
Net Loans	333,160,018	324,760,366
Premises and Equipment, Net	13,623,082	13,732,631
Interest Receivable and Other Assets	6,844,980	6,729,388
Cost in Excess of the Fair Value of Net Assets Acquired (Net of accumulated amortization in 1992-$2,573,387; 1991-$2,373,995)	17,350,585	17,550,017
Total Assets	$505,271,278	$516,963,125
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Demand	$ 87,175,724	$ 85,431,318
Savings, NOW and Money Market Accounts	180,834,033	182,389,206
Time Deposits	178,752,250	189,168,061
Total Deposits	446,762,007	456,988,585
Federal Funds Purchased and Securities Sold under Agreements to Repurchase		2,750,000
Accrued Expenses and Other Liabilities	4,480,128	4,075,614
Other Short-Term Funds Borrowed	11,500,000	11,500,000
Total Liabilities	462,742,135	475,314,199
Commitments and Contingent Liabilities		
STOCKHOLDERS' EQUITY		
Preferred Stock-authorized 200,000 shares of no par value, 80,000 shares of Series A Preferred Stock ($100 stated value) issued and outstanding	7,670,525	7,646,595
Common Stock-authorized 3,000,000 shares of $1.00 per value, shares issued 1,576,872	1,576,872	1,576,872
Surplus	25,614,966	25,614,966
Retained Earnings	8,786,177	7,909,890
Less: Treasury Stock at Cost(shares in 1992-127,933; 1991-127,933)	(1,119,397)	(1,119,397)
Total Stockholders' Equity	42,529,143	41,628,926
Total Liabilities and Stockholders' Equity	$505,271,278	$516,963,125

See Accompanying Notes to Consolidated Financial Statements.

EDGEMARK FINANCIAL CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED EARNINGS
(UNAUDITED)

FOR THE THREE MONTHS ENDED MARCH 31,	1992	1991
INTEREST INCOME		
Loans, Including Fees	$7,778,506	$ 7,788,518
Federal Funds Sold	170,600	224,847
Investment Securities:		
Taxable	1,355,574	1,536,608
Exempt from Federal Income Tax	414,782	585,182
Total Interest Income	9,719,462	10,135,155
INTEREST EXPENSE		
Deposits	4,079,687	5,040,773
Federal Funds Purchased and Repurchase Agreements	30,894	48,175
Other Short-Term Funds Borrowed	188,951	
Long-Term Debt		308,181
Total Interest Expense	4,299,532	5,397,129
Net Interest Income	5,419,930	4,738,026
Provision for Loan Losses	387,750	190,501
Net Interest Income After Provision for Loan Losses	5,032,180	4,547,525
OTHER INCOME		
Service Charges on Deposit Accounts	629,643	384,196
Net Securities Gains	211,514	17,781
Mortgage Brokerage Fees	759,265	
Other	276,759	392,663
Total Other Income	1,877,181	794,640
OTHER EXPENSE		
Salaries and Employee Benefits	2,640,532	2,041,721
Net Occupancy Expense	650,636	556,353
Furniture and Equipment	344,842	318,270
Data Processing	342,185	336,680
Marketing	86,795	78,748
Stationery and Supplies	98,989	107,636
Insurance	327,301	243,766
Directors' Fees	87,565	97,703
Legal	81,931	78,887
Mail and Courier	126,991	107,947
Amortization of Cost in Excess of the Fair Value of Net Assets Acquired	199,432	189,411
Other	580,442	479,966
Total Other Expense	5,567,641	4,637,086
Income Before Income Taxes	1,341,720	705,079
Applicable Income Taxes	271,503	116,954
Net Income	$1,070,217	$ 588,125
Net Income Applicable to Common Stock	$ 876,287	$ 379,028
Net Income Per Common and Common Equivalent Share	$0.60	$0.26
Weighted Average Common and Common Equivalent Shares Outstanding	1,454,063	1,459,803

See Accompanying Notes to Consolidated Financial Statements.

EDGEMARK FINANCIAL CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CASH FLOWS
(UNAUDITED)

FOR THE THREE MONTHS ENDED MARCH 31,	1992	1991
Cash Flows from Operating Activities:		
Net Income	$ 1,070,217	$ 588,125
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Provision for Loan Losses	387,750	190,501
Amortization of Cost in Excess of the Fair Value of Net Assets Acquired	199,432	189,411
Depreciation, Amortization and Accretion	667,051	236,389
Net Securities Gains	(211,514)	(17,781)
Mortgage Loans Originated	(34,793,791)	
Mortgage Loans Sold	32,740,607	
Deferred Income Tax Benefit	(98,322)	(46,312)
Decrease (Increase) in Interest Receivable and Other Assets	182,730	(1,108,596)
Increase in Accrued Expenses and Other Liabilities	404,514	109,707
Net Cash from Operating Activities	548,674	141,444
Cash Flows from Investing Activities:		
Purchase of Investment Securities	(17,367,636)	(33,345,530)
Proceeds from Maturities of Investment Securities	24,561,628	20,672,698
Proceeds from Sales of Investment Securities	14,932,118	18,711
Net (Increase) in Loans	(6,636,105)	(1,372,369)
Purchase of Premises and Equipment, Net	(509,111)	(368,689)
Net Cash from Investing Activities	14,980,874	14,595,179
Cash Flows from Financing Activities:		
Net Increase in Deposits	(10,207,652)	2,841,480
Net Increase (Decrease) in Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	(2,750,000)	505,000
Proceeds from Issuance of Other Short-Term Borrowings	11,500,000	9,400,000
Repayment of Other Short-Term Borrowings	(11,500,000)	
Repayment of Long-Term Debt		(9,400,000)
Net Proceeds from Exercise of Options and Sale of Treasury Stock		5,280
Preferred Stock Dividends Paid	(170,000)	(190,399)
Net Cash from Financing Activities	(13,127,652)	3,161,361
Net Increase (Decrease) in Cash and Cash Equivalents	2,401,896	(11,292,375)
Cash and Cash Equivalents, January 1	34,648,387	50,450,022
Cash and Cash Equivalents, March 31	$ 37,050,283	$39,157,647

See Accompanying Notes to Consolidated Financial Statements.

EDGEMARK FINANCIAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. The consolidated financial statements include the accounts of EdgeMark Financial Corporation and its subsidiaries ("the Corporation"). The financial statements have been prepared in conformity with generally accepted accounting principles and reporting practices. In the opinion of management, all adjustments (none of which were other than normal recurring adjustments) necessary for fair presentation of the financial position and the results of operations and cash flows for the interim periods have been made. The results of operations for the three months ended March 31, 1992 are not necessarily indicative of the result to be expected for the entire fiscal year. Prior year financial statements are reclassified to conform with any changes in current period financial statement presentation.

Certain information in footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles has been condensed or omitted pursuant to rules and regulations of the Securities and Exchange Commission, although the Corporation believes the disclosures are adequate to make the information not misleading. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Corporation's 1991 Annual Report.

2. EdgeMark Financial Corporation, a Delaware corporation, is a multi-bank holding company, which operates Merchandise National Bank, Chicago, Illinois; Edgewood Bank, Countryside and Woodridge, Illinois; EdgeMark Bank Lombard, Lombard, Illinois; First National Bank of Lockport, Lockport, Illinois and EdgeMark Bank Rosemont, Rosemont, Illinois.

3. Net income per share amounts are computed by dividing net income, reduced by Preferred Stock dividends and discount accretion, by the weighted average number of common and common equivalent shares for each period presented. Common equivalent shares include dilutive Common Stock options.

4. Recorded income taxes represent effective rates of 20.24% and 16.59% for the three-month periods ended March 31, 1992 and 1991, respectively. The effective rates differ from the 34.00% statutory Federal income tax rates primarily due to investments in certain tax-exempt investments.

5. Payment of dividends by the Corporation is subject to various limitations by the Federal Reserve Board. The ability of the Corporation to declare or pay common dividends is also restricted by terms of the Corporation's $11,500,000 short-term note agreement (see note 6), in the event of default thereunder, and the Series A Preferred Stock dividend preference. At March 31, 1992, all of the Corporation's retained earnings were restricted.

6. On March 31, 1992, the $7,900,000 and the $3,600,000 short-term senior notes matured. This debt was renewed as one note for $11,500,000 and under substantially the same terms and conditions as the previous notes. The new short-term senior note will mature on March 31, 1993.

7. Effective April 1, 1991, the Corporation formed a mortgage brokerage division. The sole purpose of its operating activities is to generate loans and sell them in the secondary market. No results from this operation were recorded during the first quarter of 1991.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information about the financial condition of the Corporation at March 31, 1992 and the results of its operations for the three-month periods ended March 31, 1992 and 1991. This discussion and analysis should be read in conjunction with the unaudited interim consolidated financial statements. Ratios for the interim periods are stated on an annualized basis and are not necessarily indicative of ratios which may be expected for the entire year.

ANALYSIS OF THE STATEMENTS OF EARNINGS

The following summarizes the components of net income as a percentage of average assets for the three-month periods ended March 31, 1992 and 1991:

	THREE MONTHS 1992	THREE MONTHS 1991
Net Interest Income	1.05%	0.99%
Provision for Loan Losses	(0.08)	(0.04)
Other Income	0.37	0.16
Other Expense	(1.08)	(0.96)
Income Before Income Taxes	0.26	0.15
Applicable Income Taxes	0.05	0.03
Net Income	0.21%	0.12%

Net Interest Income

Net interest income is defined as the difference between interest income plus fees on loans and interest expense on deposits and borrowed funds. Net interest income is the primary source of earnings and is dependent on the levels of and rates on average earning assets and interest-bearing liabilities. Net interest income during the first quarter of 1992 was $5,419,930 compared to $4,738,026 for the comparable period in 1991, for an increase of $681,904 or 14.39%. The increase was primarily attributable to a .25% increase in net interest margin in conjunction with an approximate $4,782,000 increase in net earning assets.

The net yield on average earning assets was 4.78% for the first quarter of 1992 and 4.53% for the comparable period in 1991. Yield improvement is a result of shifting certain assets along with newly acquired assets to investments with higher returns, coupled by the repricing of customer interest bearing deposit accounts.

Provision and Allowance for Loan Losses

The provision for loan losses during the first quarter in 1992 amounted to $387,750, compared to a provision of $190,501 in 1991. Net charge-offs for the first quarter totalled $281,678 compared to net charge-offs of $336,262 for the first quarter in 1991.

At March 31, 1992, the ratio of non-performing loans to net loans was 1.90% compared to 1.37% at December 31, 1991. The increase of .53% is primarily due to one loan to an insider for $1,250,000, which became past due 90 days as of March 31, 1992.

The allowance for loan losses at March 31, 1992 was $4,552,165 or 1.35% of net loans, compared with $4,446,093 or 1.35% of net loans at December 1, 1991. Management believes that the allowance at March 31, 1992 is adequate in relation to the present and potential credit risks in the loan portfolio.

Other Income

Other income, which includes service charges on deposit accounts, net security gains and other fees and charges, increased $1,082,541 or 136.23% in the first quarter of 1992 in comparison to other income in the first quarter of 1991.

Of this increase, $193,733 was the result of an increase in security gains. For the first quarter of 1992, gross realized gains were $283,412 and gross realized losses were $71,898. Additionally, other income increased due to the start-up of the mortgage brokerage division in 1991. During the first quarter of 1992, mortgage brokerage activities earned $759,265 in loan origination fees in conjunction with the generation of mortgage loans sold in the secondary market. No brokerage fees were earned during the first quarter of 1991.

Other Expense

Other expense includes the major categories of salaries and employee benefits, net occupancy expense, furniture and equipment expense, and other expenses associated with day-to-day operations. Other expense during the first quarter of 1992 increased $930,555 or 20.07% compared to the same period in 1991.

The overall increase is primarily due to the combination of increases in salary and employee benefits, insurance and other expenses. Salary and employee benefits increased approximately $599,000 or 29.33%, due mainly to normal merit raise increases, coupled with $503,000 in salaries associated with the mortgage brokerage division. Insurance expense increased approximately $83,535 or 34.27%, of which $64,500 pertains to the substantial rate assessment increase imposed by the Federal Deposit Insurance Corporation which became effective at the beginning of 1991. Other expense increased

approximately $100,000 or 20.93%. Of this increase, approximately $165,500 was attributed to mortgage brokerage operating costs offset by a decrease in other miscellaneous expenses of $65,000, as continual efforts are being made to manage controllable expenses.

Income Taxes

Recorded income taxes of $271,503 in the first quarter of 1992 and $116,954 in the first quarter of 1991 represent effective tax rates of 20.24% and 16.59%, respectively.

The effective rates differ from the 34% statutory Federal income tax rates primarily due to investments in certain tax-exempt investment securities. In connection with the purchase of Merchandise National Bank of Chicago ("Merchandise"), the Corporation has available for Federal tax purposes a net operating loss carryforward and investment tax credits. This carryforward and tax credits are available to offset future taxable income attributable to Merchandise. For financial reporting purposes, any such benefit realized is treated as a reduction of the unamortized balance of cost in excess of the fair value of net assets acquired in the Merchandise acquisition. No such benefits were realized during the first quarter ended March 31, 1992 and 1991.

In December 1987, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 96, "Accounting for Income Taxes", ("SFAS No. 96"), which adopts the liability method of comprehensive inter-period tax accounting and requires among other things, provision for deferred income taxes at the statutory rates (including the effects of giving consideration to alternative taxing systems) in effect for the period in which the taxes will become payable rather than at the rate in effect for the current period. Additionally, accumulated deferred taxes, recorded at historical rates on the balance sheet, must be adjusted for the expected taxes owed or refundable. The SFAS No. 96 was recently superseded by SFAS No. 109, "Accounting for Income Taxes", which provides for a more simplified calculation method and defers the effective date to fiscal years beginning after December 15, 1992. The Corporation's management is reviewing SFAS No. 109 and the proposed changes to determine the impact that the adoption will have on the financial statement. The Corporation expects to adopt the statement January 1, 1993. The impact of adoption is unknown at this time.

ANALYSIS OF THE BALANCE SHEET

Assets

Total assets at March 31, 1992 were approximately $505 million, a decrease of approximately $12 million or 2.26% compared to year-end 1991.

Investment securities decreased $22.1 million which was offset by a increase in cash and cash equivalents of $2.4 million from December 31, 1991 to March 31, 1992. Additionally, net loans increased $8.4 million and other assets grew modestly by approximately $.4 million when comparing balances at December 1991 with March 31, 1992. The majority of the investment securities decrease was caused by the decrease in liabilities, mainly in deposits. At March 31, 1992, investment securities had gross unrealized securities gains and losses of $2,025,791 and $780,935, respectively.

Liabilities

Total deposits decreased by $10.2 million from December 31, 1991 to March 31, 1992. Overall, non-interest bearing deposits remained stable, showing slight growth of $1.7 million, which was offset by a decrease of $1.6 million in savings, NOW and money market accounts. The majority of the deposit decrease was concentrated in interest-bearing time deposits. The decrease of $10.4 million was primarily due to time deposits originated through a special promotion in the later summer months of 1991, matured and were not renewed. The overall liability decrease also included a $2.8 million decline in federal funds sold and securities sold under agreement to repurchase. This decrease was caused by a repurchase agreement price restructuring decision made by management.

Interest Rate Sensitivity

Interest rate sensitivity is related to liquidity and addresses the individual bank's ability to reprice earning assets to correspond with changes in interest rates paid on deposits or other debt. The Corporation manages the repricing of earning assets relative to the pricing of supporting liabilities in the light of the interest rate outlook, within an acceptable level of risk, to enhance earning opportunities. The Corporation's six-month cumulative ratio of rate sensitive assets to rate sensitive liabilities at March 31, 1992, was approximately 94.95%. This particular ratio indicates that in a rising interest rate environment, there will be a slight negative impact on current earnings. The following table illustrates the Corporation's cumulative interest rate sensitivity structure:

(In thousands)

March 31, 1992	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year
Total Rate Sensitive Assets	$150,258	$160,477	$184,442	$213,380
Total Rate Sensitive Liabilities	100,210	135,967	194,242	213,945
Cumulative Gap	50,048	24,510	(9,800)	(565)
Cumulative Ratio (%)	149.94%	118.03%	94.95%	99.74%

Liquidity

Liquidity management involves the ability to meet the funds flow requirements of customers. The Corporation's liquidity is maintained by the maturity structure of loans, investment securities, and cash and deposits with banks, as well as in Federal funds. The Corporation does not rely on brokered deposits as sources of liquidity.

At March 31, 1992, the Corporation's liquidity, as measured by Federal funds sold net of Federal funds purchased and repurchase agreements, cash and due from banks, and investment securities with maturities of one year or less, totalled approximately $63,291,529 or 14.17% of total deposits.

Capital

At March 31, 1992, Stockholders' Equity totalled $42,529,143, up $900,217 from December 31, 1991. The growth in equity reflects net income of $1,070,217 and the payment of $170,000 in Preferred Stock dividends.

The risk-based capital guidelines consider both balance sheet and off-balance sheet credit risk, while the capital leverage ratio is an ongoing tool to monitor capital in relation to total average assets.

The Corporation's Tier 1 and total risk-based capital ratios, as well as its capital leverage ratio, exceed the current regulatory minimums. In addition, the Corporation has achieved risk-based capital ratios that meet the more stringent risk-based capital guidelines to be imposed by the end of 1992. The Corporation intends to continue to build its capital resources in the coming year through internal capital generation and balance sheet management.

The following table represents various measures of capital at:

	March 31, 1992		December 31, 1991	
	AMOUNT	RATIO	AMOUNT	RATIO
Risk-Based Capital:				
Tier 1 Capital	$25,178,558	7.16%	$24,078,909	7.26%
Total Risk-Based Capital	29,730,722	8.46	28,415,457	8.57
Leverage	25,178,558	4.89	24,078,909	4.52

Tier 1 Capital - Stockholders' Equity minus the cost in excess of the fair value of net assets acquired divided by risk-adjusted assets as defined in the guidelines.

Total Risk-Based Capital - Tier 1 capital plus the allowance for loan losses and the equity commitment note divided by risk-adjusted assets.

Leverage - Tier 1 under the 1992 guideline to quarterly average assets.

Presently, the Corporation does not have any material commitments for capital expenditures.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Refer to Exhibit (11) at the end of the report.

(b) There were no reports on Form 8-K filed by the registrant during the quarter ending March 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EDGEMARK VOTING TRUST

(Registrant)

Date: May 12, 1992

By: C A Bruning
Charles A. Bruning
President and CEO
(DULY AUTHORIZED OFFICER)

Date: May 12, 1992

By: Charles Lanzrath
Charles L. Lanzrath
Vice President-Controller

EXHIBIT (11)

EDGEMARK FINANCIAL CORPORATION AND SUBSIDIARIES
CALCULATION OF EARNINGS PER SHARE
FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	1992	1991
Weighted Average Number of Common Shares Outstanding	1,448,939	1,448,939
Dilutive Effect of Stock Options	5,124	10,864
Weighted Average Common and Common Equivalent Shares Outstanding	1,454,063	1,459,803
Net Income Applicable to Common Stock	$876,288	$379,028
Earnings per Common and Common Equivalent Share	$0.60	$0.26